

SUSE's Robust Revenue Supports High Profitability in Q3

- SUSE delivered Group ARR of \$639.6 million in Q3, up 14%, demonstrating the continued strength of our subscription business
- Total ACV was \$114.4 million, down 4%, down 1% at constant currency
- Core ACV was down 8%, down 5% at constant currency, as expected and driven by the available renewal pool in Q3, and Emerging ACV was up 21%, up 25% at constant currency
- Adjusted Revenue growth was 13%, 15% at constant currency, underpinned by continued strength in cloud revenue
- Adjusted EBITDA margin was 38%, with margins supported by strong cost control
- Adjusted Unlevered Free Cash Flow was \$61.5 million, with Cash Conversion of 94%
- Change in Deferred Revenue was negative \$18.9 million, down from positive \$9.8 million in the prior year, driven by higher revenue recognition and lower ACV in the quarter
- SUSE Rancher, NeuVector and Linux products announced in May and June, highlighting SUSE's commitment to cloud-native security, landed well with customers and are supporting our order pipeline
- In September, SUSE announced a new strategic collaboration with AWS including integrated go-to-market activities across sales and marketing, shared channel enablement and training, and dedicated personnel worldwide who will support smoother migration of customers' SAP landscapes to AWS
- SUSE reaffirms full year 2022 guidance for Adjusted Revenue and Adjusted EBITDA margin. We now expect Core ACV growth around 10%, Emerging ACV growth around 20% and Adjusted Unlevered Free Cash Flow conversion of over 80% in 2022, prior to FX impacts

	3 Months ended 31 July 2022 Actual FX USD \$M	3 Months ended 31 July 2021 Actual FX USD \$M	Year on Year Movement Actual FX %	Year on Year Movement CCY FX %		9 Months ended 31 July 2022 Actual FX USD \$M	9 Months ended 31 July 2021 Actual FX USD \$M	Year on Year Movement Actual FX %	Year on Year Movement CCY FX %
ACV	114.4	119.0	(4)%	(1)%		397.6	365.6	9%	12%
ARR (as at April)	639.6	562.3	14%			639.6	562.3	14%	
Adjusted Revenue	171.2	151.0	13%	15%		487.5	421.9	16%	17%
Adjusted EBITDA	65.1	55.2	18%	16%		176.0	164.1	7%	4%
<i>Adjusted EBITDA Margin</i>	38%	37%				36%	39%		
Adjusted Cash EBITDA	46.2	65.0	(29)%			215.2	226.5	(5)%	
<i>Adjusted Cash EBITDA Margin</i>	27%	43%				44%	54%		
Adjusted uFCF	61.5	39.0	58%			143.8	145.4	(1)%	
Cash conversion	94%	71%				82%	89%		

Note: This table contains Alternative Performance Measures as defined in Appendix 4 of this document. The presentation is based on pro forma numbers including Rancher on a coterminous basis in 2021 as if acquired on

November 1, 2020. NeuVector is included from November 1, 2021, in all APMs, and no prior year numbers are included, being immaterial to the group.

Constant Currency movement has been provided for ACV, Adjusted Revenue and Adjusted EBITDA. The definition of Constant Currency is included within Appendix 4.

Statutory data for the year-to-date is included in Appendix 1. Reconciliations to IFRS measures are shown in Appendix 2.

Luxembourg – September 22, 2022 – SUSE S.A. (the “Company” or “SUSE”), an independent leader in open source software specializing in Enterprise Linux operating systems, Enterprise Container Management and Edge software solutions, today announced its results for the third quarter of financial year 2022, which ended July 31, 2022.

“We have delivered strong revenue and profitability amid macro-economic and geopolitical uncertainty,” said Melissa Di Donato, CEO of SUSE. “We are working to address the challenges facing our business and have devised a robust plan to develop our Rancher business.”

“We have demonstrated the strength of our business model with our robust revenue and profitability,” said Andy Myers, CFO of SUSE. “I am pleased to confirm our revenue and EBITDA guidance for FY 2022, and while we are seeing short-term impacts on our ACV, I have continued confidence in our ability to capitalize on our market opportunity and in delivery of our medium-term guidance.”

Summary KPIs and Adjusted Profit and Loss Account for Q3 2022

	3 Months ended 31 July 2022 Actual FX USD \$M	3 Months ended 31 July 2021 Actual FX USD \$M	Year on Year Movement % Actual FX	Year on Year Movement % CCY FX	9 Months ended 31 July 2022 Actual FX USD \$M	9 Months ended 31 July 2021 Actual FX USD \$M	Year on Year Movement % Actual FX	Year on Year Movement % CCY FX
ACV by Solution								
Core	93.2	101.5	(8)%	(5)%	326.7	307.4	6%	10%
Emerging	21.2	17.5	21%	25%	70.9	58.2	22%	25%
Total ACV	114.4	119.0	(4)%	(1)%	397.6	365.6	9%	12%
ARR – Total (as at April)								
	639.6	562.3	14%		639.6	562.3	14%	
NRR – Total as % (as at April)								
	107.6%	110.8%	(3)%		107.6%	110.8%	(3)%	
Adjusted Revenue by Solution								
Core	142.9	133.2	7%	8%	407.0	373.2	9%	10%
Emerging	28.3	17.8	59%	60%	80.5	48.7	65%	66%
Total Adjusted Revenue	171.2	151.0	13%	15%	487.5	421.9	16%	17%
Cost of Sales	13.3	11.6	15%	20%	38.2	30.2	26%	31%
Adjusted Gross Profit	157.9	139.4	13%	14%	449.3	391.7	15%	15%
Adjusted Gross Profit Margin	92%	92%			92%	93%		
Sales, Marketing & Operations	45.0	39.0	15%	19%	134.3	106.4	26%	29%
Research & Development	27.1	25.4	7%	10%	81.2	69.8	16%	20%
General & Administrative	20.7	19.8	5%	6%	57.8	51.4	12%	18%
Total Operating Expenses	92.8	84.2	10%	13%	273.3	227.6	20%	24%
Adjusted EBITDA								
	65.1	55.2	18%	16%	176.0	164.1	7%	4%
Adjusted EBITDA Margin	38%	37%			36%	39%		
Depreciation & Amortization	5.0	4.8	4%		16.3	14.9	9%	
Adjusted EBIT	60.1	50.4	19%		159.7	149.2	7%	
Net Finance Costs	9.1	8.1	12%		30.7	38.1	(19)%	
Adjusted Profit before Tax	51.0	42.3	21%		129.0	111.1	16%	
Notional Tax	14.2	Not Reported			37.2	Not Reported		
Adjusted Earnings	36.8	Not Reported			91.8	Not Reported		
Number of Shares	169.2	Meaningful			169.1	Meaningful		
Adjusted Earnings Per Share (USD)	0.22	Not Meaningful			0.54	Not Meaningful		

Note: ARR and NRR are reported one quarter in arrears in USD millions at actual FX rates. Operating expenses exclude non-recurring items, as shown in the IFRS operating loss to Adjusted EBITDA reconciliation in Appendix 2. The presentation is based on pro forma numbers including Rancher on a coterminous basis in 2021 as if acquired on November 1, 2020. NeuVector is included from November 1, 2021, in all APMs, and no prior year numbers are included, being immaterial to the group.

Constant Currency movement has been provided for ACV, Adjusted Revenue, Cost of Sales, Adjusted Gross Profit, Opex and Adjusted EBITDA. The definition of Constant Currency is included within Appendix 4.

Adjusted Earnings Per Share is calculated on the basis of the weighted average number of ordinary shares in issue during the period. The number of ordinary shares in issue as at July 31, 2022, was 169,291,648.

In Q2 2022, SUSE updated its ARR methodology. Q2 and Q3 2022 ARR have been reported based on the updated methodology, and Q1 2022 and 2021 were restated based on the new methodology. NRR has also been updated to reflect the new methodology with limited impact on reported figures.

Financial and Business Review

The information in this section is based on the presentation of Alternative Performance Measures as defined in Appendix 4 and has not been audited. Historical data is also based on pro forma figures including Rancher prior to its acquisition by SUSE in November 2020. The Q1 numbers for 2021 include three months for Rancher on a pro forma basis. NeuVector is included in 2022 reporting only; prior year numbers have not been restated on a pro forma basis for NeuVector.

A reconciliation to the IFRS financials is included in Appendix 2. Results are shown using actual exchange rates.

Business Update

SUSE delivered robust revenue and profitability in Q3. Early in the quarter we launched significant enhancements to SUSE Rancher, SUSE NeuVector and SUSE Linux Enterprise, highlighting SUSE's commitment to cloud-native security. These enhancements were well received by our existing and prospective customers, and they demonstrate SUSE's continued commitment to delivering innovative, open source subscription software to customers around the world.

Enterprise customers continue to sign multi-year contracts with up-front payment, and this is the basis for our confidence in our plans for long-term, sustainable growth with high profit margins and high cash conversion. In the quarter we signed important deals with new and existing customers, including a large-value SUSE Linux Enterprise renewal with upsell to a Fortune 500 company, capitalizing on our incumbency, and our first SUSE Liberty support sale in India to a prominent banking and payments institution, supplementing an existing SUSE Rancher subscription.

SUSE's markets are expanding, driven by established global mega trends and supporting demand for our products. This underpins our growth, and we continue to see strong Rancher usage and downloads as a result.

However, the current macro-economic environment continues to particularly impact our Emerging business with slower purchase decision making for new contracts and some customer project delays. This effect is less marked in our Core business where a smaller proportion of our business is new, given the strong existing subscription base. In our Emerging business, while Rancher renewals remain strong, potential new Rancher customers are more willing to run unsupported with the free version for longer as their focus on costs has intensified. Coupled with higher churn in our work force earlier in the year, these factors have impacted Emerging growth.

We are therefore evolving our Rancher business to capitalize on the significant opportunity presented by our market-leading product, with strong usage in rapidly growing markets. We are introducing, throughout Q4 FY22 and Q1 FY23, additional security certifications and capabilities for paying Rancher customers, to directly serve the evolving needs of enterprises. Furthermore, we have expanded our sales force and are now developing a specialized Rancher sales force. Finally, we are increasing Rancher's capacity for product development and technical sales support to ensure we can deliver our new capabilities and maintain our market-leading position.

In Q3 2022 we expanded our organization, adding 69 people to our workforce despite a tough hiring environment. Wage inflation continues to be elevated but in line with our expectations accounted for within our guidance. Following elevated churn in our sales force earlier in the year, actions taken by SUSE and the softening hiring market have led to a more stable workforce with lower churn.

In early September we announced a new strategic collaboration with Amazon Web Services, Inc. (AWS) to support smoother migration of customers' SAP landscapes to AWS. This multi-year agreement is an expansion of our work with AWS and includes integrated go-to-market activities across sales and marketing, shared channel enablement and training, and dedicated personnel worldwide.

The total number of shares issued remains at 169.3 million following the increase earlier in the year, which resulted from the first Restricted Stock Unit vesting in May 2022.

Market and Revenues

Total ACV for Q3 was \$114.4 million, down 4% on the prior year, down 1% at constant currency given the impact of foreign currency headwinds, primarily a stronger U.S. dollar.

The decline in total ACV was driven by Core ACV of \$93.2 million in Q3, down 8%, 5% at constant currency. This decline was largely as expected and reflects our usual sales cycle, available renewal pool in Q3 2022 and a large retrospective consumption contract in Q3 2021, together with a foreign currency headwind.

Emerging ACV for Q3 was \$21.2 million, up 21%, 25% at constant currency, reflecting continued strong Rancher renewals partly offset by lower new business which has been particularly impacted by the current macro-economic environment and by higher churn in our work force earlier in the year.

The LTM ACV continues to grow, up 13%.

Weighted average contract lengths, on an LTM basis, remained stable versus the prior quarter at 20 months.

Adjusted Revenue of \$171.2 million was up 13%, 15% at constant currency, comprising \$142.9 million in Core and \$28.3 million in Emerging.

ACV – By Route to Market

	3 Months ended 31 July 2022 Actual FX USD \$M	3 Months ended 31 July 2021 Actual FX USD \$M	Year on Year Movement % Actual FX	9 Months ended 31 July 2022 Actual FX USD \$M	9 Months ended 31 July 2021 Actual FX USD \$M	Year on Year Movement % Actual FX
End User	101.9	97.8	4%	335.9	301.2	12%
IHV/Embedded	12.5	21.2	(41)%	61.7	64.4	(4)%
Total ACV	114.4	119.0	(4)%	397.6	365.6	9%

End User ACV, including the Cloud Service Provider (CSP) route-to-market, grew 4% in Q3, driven by continued strong growth in cloud sales across all CSPs.

Independent Hardware Vendors (IHV) and Embedded ACV declined 41% in Q3, driven primarily by a smaller renewal pool in our Embedded route-to-market. Sales to IHVs were also lower versus the prior year, driven by hardware shortages and a shift to selling through other routes, primarily through CSPs.

ACV – By Region

	3 Months ended 31 July 2022 Actual FX USD \$M	3 Months ended 31 July 2021 Actual FX USD \$M	Year on Year Movement % Actual FX	9 Months ended 31 July 2022 Actual FX USD \$M	9 Months ended 31 July 2021 Actual FX USD \$M	Year on Year Movement % Actual FX
Europe, Middle East and Africa	41.4	39.9	4%	159.7	160.7	(1)%
North America	53.6	56.8	(6)%	171.5	143.5	20%
Asia Pacific and Japan	10.8	9.0	20%	28.5	26.1	9%
Greater China	4.6	10.0	(54)%	20.8	26.4	(21)%
Latin America	4.0	3.3	21%	17.1	8.9	92%
Total ACV	114.4	119.0	(4)%	397.6	365.6	9%

ACV growth in Asia, Pacific and Japan and in Latin America remained strong. ACV declined in North America in Q3, driven primarily by a smaller renewal pool, and in Greater China due to challenging market conditions in the region, with customers prioritizing local service providers.

Growth in sales through CSPs remained strong across all regions excluding Greater China, where sales through CSPs are a small part of our base.

Annual Recurring Revenue and Net Retention Rate

Annual Recurring Revenue (ARR) increased from \$562.3 million in the prior year to \$639.6 million in Q3 2022, representing 14% growth, driven by continued demand for our subscription-based products and services.

Net Retention Rate (NRR) remained strong at 108%, reflecting that customers continue to renew their subscriptions with SUSE and are willing to pay a higher price or purchase a more-expansive product selection.

Both metrics include NeuVector's contribution since acquisition in October 2021.

ARR and NRR are reported three months in arrears as a significant portion of the revenues are invoiced retrospectively.

Costs

SUSE's Adjusted Gross Profit margin was 92% in Q3, in line with the prior year.

Sales, Marketing and Operations costs increased by 15% to \$45.0 million in Q3, driven by continued investments in sales people and marketing which focused on pipeline generation and qualification.

Research and Development costs increased by 7% to \$27.1 million, driven by investments in engineering and product management, with significant funding directed to our container management (Emerging) products.

General and Administrative costs increased by 5% to \$20.7 million, driven by headcount investments to meet the demands of a growing organization and being a listed entity, and an adverse realized foreign exchange movement.

Profitability

	3 Months ended 31 July 2022 Actual FX USD \$M	3 Months ended 31 July 2021 Actual FX USD \$M	Year on Year Movement % Actual FX	9 Months ended 31 July 2022 Actual FX USD \$M	9 Months ended 31 July 2021 Actual FX USD \$M	Year on Year Movement % Actual FX
Adjusted EBITDA	65.1	55.2	18%	176.0	164.1	7%
<i>Adjusted EBITDA Margin</i>	<i>38%</i>	<i>37%</i>		<i>36%</i>	<i>39%</i>	
<i>Change in deferred revenue</i>	<i>(18.9)</i>	<i>9.8</i>	<i>n.m.</i>	<i>39.2</i>	<i>62.4</i>	<i>(37)%</i>
Adjusted Cash EBITDA	46.2	65.0	(29)%	215.2	226.5	(5)%
<i>Adjusted Cash EBITDA Margin</i>	<i>27%</i>	<i>43%</i>		<i>44%</i>	<i>54%</i>	

Adjusted EBITDA grew 18% to \$65.1 million in Q3, as SUSE's revenue growth was further enhanced by strong cost control and a positive impact from foreign exchange movements, resulting in margin expansion of one percentage point versus the prior year.

Change in deferred revenue was negative \$18.9 million, down from positive \$9.8 million in the prior year, driven by higher revenue recognition and lower ACV in the quarter.

The decrease in Change in Deferred Revenue more than offset the increase in EBITDA, leading to Adjusted Cash EBITDA of \$46.2 million, down 29%.

Cash Flow

	3 Months ended 31 July 2022 Actual FX USD \$M	3 Months ended 31 July 2021 Actual FX USD \$M	Year on Year Movement % Actual FX	9 Months ended 31 July 2022 Actual FX USD \$M	9 Months ended 31 July 2021 Actual FX USD \$M	Year on Year Movement % Actual FX
Adjusted Cash EBITDA	46.2	65.0	(29)%	215.2	226.5	(5)%
Gross Capital Expenditure	(2.5)	(1.3)	92%	(7.2)	(2.1)	243%
Change in core working capital	27.2	(14.2)	n.m	(27.2)	(41.8)	(35)%
IFRS 15	(5.3)	(8.3)	(36)%	(18.6)	(25.6)	(27)%
IFRS 16	(1.9)	(1.8)	6%	(5.7)	(5.4)	6%
Cash Taxes	(2.2)	(0.4)	450%	(12.7)	(4.4)	189%
Rancher pro-forma uFCF	0.0	0.0		0.0	(1.8)	n.m
Adjusted uFCF	61.5	39.0	58%	143.8	145.4	(1)%
<i>Adj uFCF Conv from Adj EBITDA</i>	<i>94%</i>	<i>71%</i>		<i>82%</i>	<i>89%</i>	

Adjusted Unlevered Free Cash Flow was up 58% to \$61.5 million in the quarter. This reflects a working capital inflow and lower IFRS 15 cash adjustment in the quarter, which in turn reflects lower commissions paid. These drivers were partially offset by lower Adjusted Cash EBITDA, higher cash tax driven by timing of tax filings and anticipated higher payments in multiple regions, and an increase in gross capex due to investment in a data center move.

Cash conversion was 94% for the quarter.

Leverage

	As at 31 July 2022 Actual FX USD \$M	As at 31 July 2021 Actual FX USD \$M	Year on Year Movement % Actual FX
Net debt	604.1	653.1	8%
Adjusted Cash EBITDA - Pro-forma - LTM Q3	266.9	255.3	5%
Leverage	2.3	2.6	12%

Net Debt at the end of the third quarter was \$604.1 million, a reduction of \$50 million versus the prior quarter, driven by our strong cash flow.

As a result, our leverage ratio, calculated as the Net Debt divided by the last 12 months Adjusted Cash EBITDA, was 2.3x, flat versus the prior quarter and well within our commitment to keep leverage below 3.5x.

ESG

Environmental, Social and Governance (ESG) is at the heart of our business and sustainable growth, and we continue to make progress toward our targets.

After the quarter end, we received our sustainability rating with EcoVadis, one of our commitments for the year. We secured a silver medal for our ESG practices, placing us among the top 25% of the rated companies.

Given the long-term nature of our ESG focus, we will provide a full ESG update in our half year and annual statements from now on.

Outlook

SUSE reaffirms full year 2022 guidance for Adjusted Revenue and Adjusted EBITDA margin, prior to FX impacts.

The current macro-economic environment continues to particularly impact our Emerging business with slower purchase decision making for new contracts and some customer project delays. This effect is less marked in our Core business where a smaller proportion of our business is new, given the strong existing subscription base. In our Emerging business, while Rancher renewals remain strong, potential new Rancher customers are more willing to run unsupported with the free version for longer as their focus on costs has intensified. Coupled with higher churn in our work force earlier in the year, these factors have impacted Emerging growth.

We now expect Core ACV growth around 10% and Emerging ACV growth around 20% in 2022, both prior to FX impacts.

We also expect Adjusted Unlevered Free Cash Flow conversion over 80% in 2022, prior to FX impacts, primarily reflecting the lower ACV.

FX rate movements, particularly the stronger U.S. dollar, are reducing reported ACV, Adjusted Unlevered Free Cash Flow, and, to a lesser degree, Adjusted Revenue. Our reported Adjusted EBITDA margin is supported by a small positive FX impact.

Medium-term guidance is unchanged, reflecting the growth outlook in the markets and SUSE's competitive position. We expect to build steadily toward these performance levels over the coming years, subject to market and macro-economic developments.

Additional Information

About SUSE

SUSE is a global leader in innovative, reliable and secure enterprise-grade open source solutions, relied upon by more than 60% of the Fortune 500 to power their mission-critical workloads. We specialize in Business-critical Linux, Enterprise Container Management and Edge solutions, and collaborate with partners and communities to empower our customers to innovate everywhere – from the data center, to the cloud, to the edge and beyond. SUSE puts the “open” back in open source, giving customers the agility to tackle innovation challenges today and the freedom to evolve their strategy and solutions tomorrow. The company is headquartered in Luxembourg and employs more than 2,000 people globally. SUSE is listed in the regulated market (Prime Standard) of the Frankfurt Stock Exchange.

For more information, visit www.suse.com.

Contacts

Investors:

Jonathan Attack
Investor Relations, SUSE
Phone: +44 7741 136 019
Email: ir@suse.com

Media:

Christopher Deifuß
Kekst CNC
Phone: +49 162 2059754
Email: christopher.deifuss@kekstcnc.com

Matt Jones
Investor Relations, SUSE
Phone: +44 7809 690 336
Email: ir@suse.com

Webcast Details

Melissa Di Donato (CEO) and Andy Myers (CFO) will host an analyst and investor conference call at 2:00 PM CET / 1:00 PM BST on September 22, 2022, to discuss the results.

If you would like to dial in and ask questions during the conference and have not pre-registered, please call +49 162 2059754 or email suse@kekstcnc.com for dial-in details.

The audio webcast can be followed in listen-only mode using this link: <https://www.webcast-egs.com/suse20220922>

A replay will be available on the Investor Relations website. The accompanying presentation also can be downloaded from the Investor Relations website.

Important Notice

Certain statements in this communication may constitute forward-looking statements. These statements are based on assumptions that are believed to be reasonable at the time they are made, and are subject to significant risks and uncertainties, including, but not limited to, those risks and uncertainties described in SUSE's disclosures. You should not rely on these forward-looking statements as predictions of future events, and we undertake no obligation to update or revise these statements. Our actual results may differ materially and adversely from any forward-looking statements discussed in

these statements due to several factors, including without limitation, risks from macroeconomic developments, external fraud, lack of innovation capabilities, inadequate data security and changes in competition levels.

The Company undertakes no obligation, and does not expect to publicly update, or publicly revise, any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to it or to persons acting on its behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this communication.

Financial Calendar

<u>Date</u>	<u>Event</u>
January 19, 2023	Release of Q4 FY22 results and FY22 Annual Report
March 16, 2023	Release of Q1 FY23 results

APPENDIX 1 Statutory Financials

IFRS Income Statement

	3 Months ended 31 July 2022 Actual FX USD \$M	3 Months ended 31 July 2021 Actual FX USD \$M	Year on Year Movement %	9 Months ended 31 July 2022 Actual FX USD \$M	9 Months ended 31 July 2021 Actual FX USD \$M	Year on Year Movement %
Revenue	170.1	148.0	15%	483.4	407.7	19%
Cost of sales	(13.4)	(12.1)	11%	(38.8)	(32.0)	21%
Gross profit	156.7	135.9	15%	444.6	375.7	18%
Operating expenses	(116.0)	(126.1)	(8)%	(336.8)	(437.9)	(23)%
Amortization of intangible assets	(35.1)	(37.7)	(7)%	(107.5)	(111.1)	(3)%
Depreciation - PPE	(0.9)	(1.1)	(18)%	(2.8)	(3.4)	(18)%
Depreciation - Right of Use Assets	(1.7)	(1.5)	13%	(5.9)	(4.6)	28%
Operating loss	3.0	(30.5)	n.m.	(8.4)	(181.3)	(95)%
Net finance costs	(9.1)	(8.1)	12%	(30.7)	(38.1)	(19)%
Share of losses on associate	(0.3)	(0.5)	(40)%	(1.7)	(1.6)	6%
Loss before tax	(6.4)	(39.1)	(84)%	(40.8)	(221.0)	(82)%
Taxation	(6.5)	8.8	n.m.	1.4	51.0	(97)%
Loss for the period	(12.9)	(30.3)	(57)%	(39.4)	(170.0)	(77)%

Interim Condensed Consolidated Statement of Comprehensive Income (unaudited)

For the nine months ended 31 July 2022

	Nine months ended 31 July 2022			Nine months ended 31 July 2021		
	Headline US\$'000	Separately reported items US\$'000	Total US\$'000	Headline US\$'000	Separately reported items US\$'000	Total US\$'000
Income statement:						
Revenue	483,409	-	483,409	407,730	-	407,730
Cost of sales	(38,751)	-	(38,751)	(32,024)	-	(32,024)
Gross profit	444,658	-	444,658	375,706	-	375,706
Selling and distribution costs	(136,914)	-	(136,914)	(107,831)	-	(107,831)
Research and development costs	(86,075)	-	(86,075)	(73,441)	-	(73,441)
Administrative expenses	(114,378)	-	(114,378)	(243,060)	(14,061)	(257,121)
Reversal of impairment loss on trade receivables	531	-	531	433	-	433
Operating profit/(loss) before depreciation and amortization	107,822	-	107,822	(48,193)	(14,061)	(62,254)
Amortization of intangible assets	(107,568)	-	(107,568)	(111,063)	-	(111,063)
Depreciation – Property, plant and equipment	(2,760)	-	(2,760)	(3,365)	-	(3,365)
Depreciation/impairment – Right of use assets	(5,888)	-	(5,888)	(4,632)	-	(4,632)
Operating loss	(8,394)	-	(8,394)	(167,253)	(14,061)	(181,314)
Finance costs	(30,949)	-	(30,949)	(38,086)	-	(38,086)
Finance income	268	-	268	8	-	8
Net finance costs	(30,681)	-	(30,681)	(38,078)	(14,061)	(38,078)
Share of losses of associate	(1,745)	-	(1,745)	(1,582)	-	(1,582)
Loss before tax	(40,820)	-	(40,820)	(206,913)	(14,061)	(220,974)
Taxation	1,419	-	1,419	48,553	2,393	50,946
Loss for the period	(39,401)	-	(39,401)	(158,360)	(11,668)	(170,028)
<i>Attributable to:</i>						
Equity shareholders of the parent	(39,401)	-	(39,401)	(158,360)	(11,668)	(170,028)
Non-controlling interests	-	-	-	-	-	-
Loss for the period	(39,401)	-	(39,401)	(158,360)	(11,668)	(170,028)
Basic and diluted loss per share (1)			(0.2)			(3.1)

⁽¹⁾For the nine months ended 31 July 2022 and 31 July 2021, potential ordinary shares are anti-dilutive, as their inclusion in the diluted loss per share calculation would reduce the loss per share, and hence have been excluded.

Interim Condensed Consolidated Statement of Comprehensive Income (unaudited)

For the nine months ended 31 July 2022

	Nine months ended 31 July 2022			Nine months ended 31 July 2021		
	Headline US\$'000	Separately reported items US\$'000	Total US\$'000	Headline US\$'000	Separately reported items US\$'000	Total US\$'000
Loss for the period	(39,401)	-	(39,401)	(158,360)	(11,668)	(170,028)
Other comprehensive income:						
Items not to be reclassified to income statement:						
Remeasurement of defined benefit pension schemes	2,304	-	2,304	1,068	-	1,068
Related tax impact	(706)	-	(706)	(288)	-	(288)
Items that may be reclassified to income statement:						
Currency translation differences	48,671	-	48,671	(12,000)	-	(12,000)
Cash flow hedge – changes in fair value	(49)	-	(49)	(610)	-	(610)
Cash flow hedge – reclassified to income statement	4,386	-	4,386	6,702	-	6,702
Related tax impact	(1,003)	-	(1,003)	(1,495)	-	(1,495)
Other comprehensive income/(loss) for the period	53,603	-	53,603	(6,623)	-	(6,623)
Total comprehensive income/(loss) for the period	14,202	-	14,202	(164,983)	(11,668)	(176,651)
Attributable to:						
Equity shareholders of the parent	14,202	-	14,202	(164,983)	(11,668)	(176,651)
Non-controlling interests	-	-	-	-	-	-
Total comprehensive income/(loss) for the period	14,202	-	14,202	(164,983)	(11,668)	(176,651)

Interim Condensed Consolidated Statement of Financial Position (unaudited)

As at 31 July 2022

	As at 31 July 2022 US\$'000	As at 31 October 2021 US\$'000
Non-current assets		
Goodwill	2,686,319	2,685,751
Intangible assets	426,369	537,056
Property, plant and equipment	11,772	8,157
Right of use assets	19,610	14,415
Investment in associate	12,296	14,041
Derivative asset	-	6
Long-term pension assets	595	648
Other receivables	8,269	7,899
Deferred tax assets	194,300	190,010
Contract related assets	73,321	55,510
	3,432,851	3,513,493
Current assets		
Trade and other receivables	128,036	138,038
Current tax receivables	1,663	1,663
Cash and cash equivalents	140,535	61,061
Contract related assets	29,902	28,865
	300,136	229,627
Total assets	3,732,987	3,743,120
Current liabilities		
Trade and other payables	87,267	129,656
Borrowings	3,600	3,600
Lease liabilities	6,306	6,012
Provisions	2,629	4,866
Current tax liabilities	4,419	11,510
Deferred income – contract liabilities	349,036	329,611
	453,257	485,255
Non-current liabilities		
Borrowings	703,140	742,148
Lease liabilities	15,799	10,708
Provisions	762	1,024
Non-current tax liabilities	7,439	7,439
Deferred tax liabilities	105,831	107,073
Retirement benefit obligations	3,188	6,552
Deferred income – contract liabilities	201,782	178,175
Derivative liabilities	-	5,182
Other payables	4,553	13,554
	1,042,494	1,071,855
Total liabilities	1,495,751	1,557,110
Net Assets	2,237,236	2,188,010
Equity		
Share capital	16,929	16,903
Share premium	2,522,985	2,523,011
Retained losses	(394,676)	(355,870)
Other reserves	58,193	21,169
Cash flow hedging reserve	-	(4,337)
Foreign currency translation reserve	33,805	(14,866)
Total equity	2,237,236	2,188,010

Interim Condensed Consolidated Statement of Changes in Equity (unaudited)

For the nine months ended 31 July 2022

	Share capital US\$'000	Share premium US\$'000	Retained losses US\$'000	Other reserve US\$'000	Cash flow hedging reserve US\$'000	Foreign currency translation reserve US\$'000	Total equity US\$'000
As at 1 November 2021	16,903	2,523,011	(355,870)	21,169	(4,337)	(14,866)	2,186,010
Loss for the period	-	-	(39,401)	-	-	-	(39,401)
Other comprehensive income for the period	-	-	595	-	4,337	48,671	53,603
Total comprehensive (expense)/income for the period	-	-	(38,806)	-	4,337	48,671	14,202
<i>Transactions recorded in equity:</i>							
Issue of share capital	26	(26)	-	-	-	-	-
Equity settled share-based payments	-	-	-	37,024	-	-	37,024
Total transactions with owners	-	-	-	37,024	-	-	37,024
As at 31 July 2022	16,929	2,522,985	(394,676)	58,193	-	33,805	2,237,236

Interim Condensed Consolidated Statement of Changes in Equity (unaudited)

For the nine months ended 31 July 2021

	Share capital US\$'000	Share premium US\$'000	Retained losses US\$'000	Other reserve US\$'000	Cash flow hedging reserve US\$'000	Foreign currency translation reserve US\$'000	Total equity US\$'000
As at 1 November 2020	14	1,604,251	(130,824)	3,200	(12,798)	(16,498)	1,447,345
Loss for the period	-	-	(170,028)	-	-	-	(170,028)
Other comprehensive (expense)/income for the period	-	-	(715)	-	6,092	(12,000)	(6,623)
Total comprehensive (expense)/income for the period	-	-	(170,743)	-	6,092	(12,000)	(176,651)
<i>Transactions recorded in equity:</i>							
Cancellation of nominal value	126	(126)	-	-	-	-	-
Contribution of share capital and share premium	16,690	220,428	-	-	-	-	237,118
Proceeds from Initial Public Offering	-	669,451	-	-	-	-	669,451
IPO transaction costs	-	-	(32,769)	-	-	-	(32,769)
Equity settled share-based payments	-	-	-	9,249	-	-	9,249
Total transactions with owners	16,816	889,753	(32,769)	9,249	-	-	883,049
As at 31 July 2021	16,830	2,494,004	(334,336)	12,449	(6,706)	(28,498)	2,153,743

Interim Condensed Consolidated Statement of Cash Flows (unaudited)

For the nine months ended 31 July 2022

	Nine months ended 31 July 2022 US\$'000	Nine months ended 31 July 2021 US\$'000
Loss for the period	(39,401)	(170,028)
Net finance costs	30,681	38,078
Taxation	(1,419)	(50,946)
Share of losses of associate	1,745	1,582
Operating loss for the period	(8,394)	(181,314)
Addback:		
Depreciation – Property, plant and equipment	2,760	3,365
Depreciation/impairment – Right of use assets	5,888	4,632
Amortization of intangible assets	107,568	111,063
Amortization of contract related assets	10,733	6,370
Share based payments expense	37,771	166,099
Restructuring charges	-	1,407
Foreign exchange movements	13,340	10,004
Impairment credit on trade receivables	(531)	(433)
Movements:		
Movements in trade receivables	11,104	(17,216)
Movements in other receivables	(839)	(476)
Movements in trade payables	(5,505)	(1,421)
Movements in other payables	(43,857)	(11,455)
Movement in other pensions	(494)	(121)
Movements in provisions	(2,499)	(4,506)
Movements in contract related assets	(29,294)	(32,791)
Contract assets – fair value haircut	(286)	-
Movements in contract liabilities	39,238	59,701
Contract liabilities – fair value haircut	4,290	10,455
Settlement of share-based payments	(198)	(112,686)
Cash generated from operations	140,795	10,677
Interest paid	(23,069)	(40,470)
Interest received	8	8
Tax paid	(12,655)	(4,434)
Net cash inflow/(outflow) from operating activities	105,079	(34,219)
Cash flow (used in)/generated from investing activities		
Purchase of property, plant and equipment	(7,151)	(2,095)
Purchase and development of intangible assets	(957)	(3,201)
Acquisition of a business, net of cash	(2,545)	(489,432)
Proceeds from IPO, net of underwriting costs	-	659,409
Net cash (outflow)/inflow from investing activities	(10,653)	164,681
Net cash inflow before financing activities	94,426	130,462

Interim Condensed Consolidated Statement of Cash Flows (unaudited)
For the nine months ended 31 July 2022

	Nine months ended 31 July 2022 US\$'000	Nine months ended 31 July 2021 US\$'000
Cash flows used in financing activities		
Proceeds from contribution of share premium	-	135,338
Proceeds from bank borrowings	-	300,000
Payment of arrangement fees	-	(3,764)
Repayment of bank borrowings	(2,700)	(513,062)
Payment of interest rate swap premia	(4,386)	(6,702)
Lease payments	(5,675)	(3,680)
Loan repaid by intermediary parent undertaking	-	1,500
Net cash outflow from financing activities	(12,761)	(90,370)
Net increase in cash and cash equivalents	81,665	40,092
Foreign exchange movements	(2,191)	(12)
Cash and cash equivalents at beginning of period	61,061	94,933
Cash and cash equivalents at end of period	140,535	135,013

APPENDIX 2 Reconciliation from IFRS to Adjusted Pro Forma Figures

IFRS Revenue to Adjusted Revenue

	3 Months ended 31 July 2022 Actual FX USD \$M	3 Months ended 31 July 2021 Actual FX USD \$M	Year on Year Movement %	9 Months ended 31 July 2022 Actual FX USD \$M	9 Months ended 31 July 2021 Actual FX USD \$M	Year on Year Movement %
Revenue - IFRS	170.1	148.0	15%	483.4	407.7	19%
<i>Adjustments</i>						
Contract liability haircut amortized	1.1	3.0	(63)%	4.1	10.5	(61)%
Pro-Forma Rancher	0.0	0.0	-	0.0	3.7	n.m
Adjusted Revenue	171.2	151.0	13%	487.5	421.9	16%

Note: The Pro Forma Rancher adjustment is 1 month in Q1 2021.

IFRS Operating Profit/Loss to Adjusted EBITDA

	3 Months ended 31 July 2022 Actual FX USD \$M	3 Months ended 31 July 2021 Actual FX USD \$M	Year on Year Movement % Actual FX	9 Months ended 31 July 2022 Actual FX USD \$M	9 Months ended 31 July 2021 Actual FX USD \$M	Year on Year Movement % Actual FX
Operating profit/(loss) - IFRS	3.0	(30.5)	n.m.	(8.4)	(181.3)	(95)%
<i>Adjustments</i>						
Depreciation and Amortization	37.7	40.3	(6)%	116.2	119.1	(2)%
Separately reported items	0.0	4.9	n.m	0.0	14.1	n.m
Contract liability haircut amortized	1.1	3.0	(63)%	4.1	10.5	(61)%
Non-recurring items	5.3	5.0	6%	14.4	18.3	(21)%
Share-based payments - charge	15.2	18.3	(17)%	37.8	166.1	(77)%
Share-based payments - ER taxes	0.0	1.2	n.m	0.9	7.0	(87)%
Foreign exchange - unrealized	2.8	13.0	(78)%	11.0	12.1	(9)%
Adjusted EBITDA - Non pro-forma	65.1	55.2	18%	176.0	165.9	6%
Pro-forma Rancher	0.0	0.0	n.m	0.0	(1.8)	n.m
Adjusted EBITDA - pro-forma	65.1	55.2	18%	176.0	164.1	7%

Note: The Pro Forma Rancher adjustment is 1 month in Q1 2021.

Adjusted Deferred Revenue to IFRS Deferred Revenue

	3 Months ended 31 July 2022 Actual FX USD \$M	3 Months ended 31 July 2021 Actual FX USD \$M	Year on Year Movement %	9 Months ended 31 July 2022 Actual FX USD \$M	9 Months ended 31 July 2021 Actual FX USD \$M	Year on Year Movement %
Movement in deferred revenue: Pro-forma	18.9	(9.8)	n.m.	(39.2)	(62.4)	(37)%
Pro-forma Rancher	0.0	0.0	0%	0.0	2.7	(100)%
Movement in deferred revenue: Non Pro-forma	18.9	(9.8)	n.m.	(39.2)	(59.7)	(34)%
Adjustments:						
Deferred revenue haircut amortized	(1.1)	(3.0)	(63)%	(4.1)	(10.5)	(61)%
Movement in deferred revenue - IFRS	17.8	(12.8)	(239)%	(43.3)	(70.2)	(38)%

Note: The Pro Forma Rancher adjustment is 1 month in Q1 2021.

IFRS Net Cash Inflow/(Outflow) from Operating Activities to Adjusted uFCF

	3 Months ended 31 July 2022 Actual FX USD \$M	3 Months ended 31 July 2021 Actual FX USD \$M	Year on Year Movement % Actual FX	9 Months ended 31 July 2022 Actual FX USD \$M	9 Months ended 31 July 2021 Actual FX USD \$M	Year on Year Movement % Actual FX
Net cash inflow/(outflow) from operating activities	54.0	(86.0)	n.m.	105.1	(34.2)	n.m.
Interest paid	8.0	11.7	(32)%	23.1	40.5	(43)%
Tax paid	2.2	0.4	439%	12.7	4.4	188%
Cash generated from/(used in) operations	64.2	(73.9)	n.m.	140.9	10.7	1216%
Addbacks – non cash items	(62.1)	(76.9)	(19)%	(181.6)	(313.0)	(42)%
Movements – other working capital	(27.7)	4.8	n.m.	39.0	30.6	27%
Movement in other pensions	(0.0)	0.2	n.m.	0.5	0.1	394%
Movements in provisions	0.5	1.4	(66)%	2.5	4.5	(44)%
Movements in contract related assets	9.0	11.0	(18)%	29.3	32.8	(11)%
Movements in deferred revenue	18.9	(9.8)	n.m.	(39.2)	(59.7)	(34)%
Settlement of VSOP Scheme	0.2	112.7	(100)%	0.2	112.7	(100)%
Operating profit/(loss) per IFRS Statements	3.0	(30.5)	n.m.	(8.4)	(181.3)	(95)%
Depreciation and Amortization	37.7	40.3	(6)%	116.2	119.1	(2)%
EBITDA per IFRS Statements	40.7	9.8	315%	107.8	(62.2)	n.m.
Separately reported items	0.0	4.9	n.m.	0.0	14.1	n.m.
Non-recurring items	5.3	5.0	6%	14.4	18.3	(21)%
Share-based payments – charge	15.2	18.3	(17)%	37.8	166.1	(77)%
Share-based payments – ER taxes	0.0	1.2	n.m.	0.9	7.0	(87)%
Deferred revenue haircut	1.1	3.0	(63)%	4.1	10.5	(61)%
Foreign Exchange – Unrealized	2.8	13.0	(78)%	11.0	12.1	(9)%
Adjusted EBITDA	65.1	55.2	18%	176.0	165.9	6%
Rancher pro-forma Adjustment	0.0	0.0	n.m.	0.0	(1.8)	n.m.
Adjusted EBITDA (SUSE & Rancher pro-forma)	65.1	55.2	18%	176.0	164.1	7%
Movement in deferred revenue	(18.9)	9.8	n.m.	39.2	62.4	(37)%
Adjusted Cash EBITDA (SUSE & Rancher pro-forma)	46.2	65.0	(29)%	215.2	226.5	(5)%
IFRS 15	(5.3)	(8.3)	(36)%	(18.6)	(25.6)	(27)%
IFRS 16	(1.9)	(1.8)	6%	(5.7)	(5.4)	6%
Change in core working capital	27.2	(14.2)	n.m.	(27.2)	(41.8)	(35)%
Gross capital expenditure	(2.5)	(1.3)	92%	(7.2)	(2.1)	243%
Tax expense	(2.2)	(0.4)	450%	(12.7)	(4.4)	189%
Other adjustments – Rancher pro-forma	0.0	0.0	n.m.	0.0	(1.8)	n.m.
Adjusted Unlevered Free Cash Flow	61.5	39.0	58%	143.8	145.4	(1)%

Note: The Pro Forma Rancher adjustment is 1 month in Q1 2021.

APPENDIX 3 Comparable Data for Prior Periods

USD \$M		2021				2022		
		Q1	Q2	Q3	Q4	Q1	Q2	Q3
ACV by Solution	Core	111.3	94.6	101.5	98.7	119.9	113.6	93.2
	Emerging	26.3	14.4	17.5	26.3	23.9	25.8	21.2
	Total ACV	137.6	109.0	119.0	125.0	143.8	139.4	114.4
Adjusted Revenue by Solution	Core	118.6	121.4	133.2	133.4	130.2	133.9	142.9
	Emerging	15.5	15.4	17.8	20.6	24.8	27.4	28.3
	Total Adjusted Revenue	134.1	136.8	151.0	154.0	155.0	161.3	171.2
Cost of Sales		8.1	10.5	11.6	10.8	11.8	13.1	13.3
Adjusted Gross Profit		126.0	126.3	139.4	143.2	143.2	148.2	157.9
<i>Adjusted Gross Profit Margin</i>		94%	92%	92%	93%	92%	92%	92%
Sales, Marketing & Operations		31.5	35.9	39.0	45.7	43.0	46.3	45.0
Research & Development		22.0	22.4	25.4	24.8	27.0	27.1	27.1
General & Administrative		11.8	19.8	19.8	24.7	20.9	16.2	20.7
Total Operating Expenses		65.3	78.1	84.2	95.2	90.9	89.6	92.8
Adjusted EBITDA		60.7	48.2	55.2	48.0	52.3	58.6	65.1
<i>Adjusted EBITDA Margin</i>		45%	35%	37%	31%	34%	36%	38%
Change in deferred revenue		46.4	6.2	9.8	3.7	40.8	17.3	(18.9)
Adjusted Cash EBITDA		107.1	54.4	65.0	51.7	93.1	75.9	46.2
<i>Adjusted Cash EBITDA Margin</i>		80%	40%	43%	34%	60%	47%	27%

APPENDIX 4 Alternative Performance Measures (APM)

This document contains certain alternative performance measures (collectively, “APMs”) including ACV, ARR, NRR, Adjusted Revenue, Adjusted Gross Profit, Adjusted Gross Profit Margin, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Cash EBITDA, Adjusted Cash EBITDA margin, Adjusted uFCF, Cash Conversion, and Net Debt and Leverage that are not required by, or presented in accordance with, IFRS, Luxembourg GAAP or any other generally accepted accounting principles. Certain of these measures are derived from the IFRS accounts of the Company and others are derived from management reporting or the accounting or controlling systems of the Group.

SUSE presents APMs because they are used by management in monitoring, evaluating and managing its business, and management believes these measures provide an enhanced understanding of SUSE’s underlying results and related trends. The definitions of the APMs may not be comparable to other similarly titled measures of other companies and have limitations as analytical tools and should, therefore, not be considered in isolation or as a substitute for analysis of SUSE’s operating results as reported under IFRS or Luxembourg GAAP. APMs such as ACV, ARR, NRR, Adjusted Revenue, Adjusted Gross Profit, Adjusted Gross Profit Margin, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Cash EBITDA, Adjusted Cash EBITDA Margin, Adjusted uFCF, Cash Conversion, RPO and Net Debt and Leverage are not measurements of SUSE’s performance or liquidity under IFRS, Luxembourg GAAP or German GAAP and should not be considered as alternatives to results for the period or any other performance measures derived in accordance with IFRS, Luxembourg GAAP, German GAAP or any other generally accepted accounting principles or as alternatives to cash flow from operating, investing or financing activities. SUSE has defined each of the following APMs as follows:

“Annual Contract Value” or “ACV”: ACV represents the first 12 months monetary value of a contract. If total contract duration is less than 12 months, 100% of invoicing is included in ACV;

“Annual Recurring Revenue” or “ARR”: ARR represents the sum of the monthly contractual value for subscriptions and recurring elements of contracts in a given period, multiplied by 12. ARR is calculated three months in arrears, given backdated royalties relating to IHV and Cloud, and hence reflects the customer base as of three months prior;

“Net Retention Rate” or “NRR”: expressed as a percentage, NRR indicates the proportion of ARR that has been retained over the prior 12-month period, which is inclusive of up-sell, cross-sell, down-sell, churn and pricing. It excludes ARR from net new logo end-user customers. The NRR is calculated three months in arrears, aligned to the calculation of ARR;

“Adjusted Revenue”: Revenue as reported in the statutory accounts of the Group, adjusted for fair value adjustments;

“Adjusted Gross Profit”: this APM represents Adjusted Revenue less operating costs adjusted for non-recurring items;

“Adjusted Gross Profit Margin” expressed as a percentage, this APM represents Adjusted Gross Profit divided by Adjusted Revenue;

“Adjusted EBITDA”: this APM represents earnings before net finance costs, share of loss of associate and tax, adjusted for depreciation and amortization, share-based payments, fair value adjustment to

deferred revenue, statutory separately reported items, specific non-recurring items and net unrealized foreign exchange (gains)/losses;

“Adjusted EBITDA Margin”: expressed as a percentage, this APM represents Adjusted EBITDA divided by Adjusted Revenue;

“Adjusted Cash EBITDA”: this APM represents Adjusted EBITDA plus changes in contract liabilities in the related period and excludes the impact of contract liabilities – deferred revenue haircut;

“Adjusted Cash EBITDA Margin”: expressed as a percentage, this APM represents Adjusted Cash EBITDA divided by Adjusted Revenue;

“Adjusted Profit before Tax” is Adjusted EBITDA (post IFRS 15 and 16), less D&A (excluding intangible amortization for Customer relationships, intellectual property and non-complete agreements) less net financial expense;

“Adjusted Profit after Tax” is Adjusted Profit before Tax less notional tax;

“Adjusted Earnings Per Share” represents Adjusted Profit after Tax less notional tax divided by the weighted average number of shares during the period;

“Adjusted Unlevered Free Cash Flow” or “Adjusted uFCF”: this APM represents Adjusted Cash EBITDA less capital expenditure related cash outflow, working capital movements (excluding deferred revenue, which is factored into Adjusted Cash EBITDA, and non-recurring items), cash taxes and the reversal of non-cash accounting adjustments relating to IFRS 15 and IFRS 16;

“Cash Conversion”: expressed as a percentage, this APM represents Adjusted uFCF divided by Adjusted EBITDA;

“Constant Currency”: Constant Currency for ACV and costs, is calculated by re-stating the prior year period results to reflect exchange rates prevailing during the reported period. Constant currency for Adjusted revenue, is calculated by re-stating the in-period revenue generated in the prior period from the prior period ACV to reflect exchange rates prevailing during the reported period. No such restatement is needed for revenues in prior periods unwinding from deferred revenue, as these revenues are locked into US denominated values when the associated ACV was generated;

“Contractual Liabilities and Remaining Performance Obligations” or “RPO”: RPO represents the unrecognized proportion of remaining performance obligations towards subscribers (e.g., the amount of revenue that has been invoiced, but not yet recognized as revenue) plus amounts for which binding irrevocable commitments have been received but have yet to be invoiced. Deferred Revenue is another term used for Contractual Liabilities;

“Leverage”: Expressed as a multiple, Leverage is Net Debt divided by Adjusted Cash EBITDA; and

“Net Debt”: This APM represents the sum of current and non-current interest bearing borrowings (net of un-amortized capitalized arrangement fees, gains or losses on loan modifications), current and non-current lease liabilities, less cash and cash equivalents.